

March 29, 2004

Jeffrey M. Bernstein, Esq.  
Bernstein, Cushner & Kimmell, P.C.  
Attorneys at Law  
585 Boylston Street, Suite 400  
Boston, MA 02116

Re: Cape Light Compact, D.T.E. 04-32

Dear Mr. Bernstein:

Enclosed please find the Department of Telecommunications and Energy's first set of information requests to Cape Light Compact in the above-captioned matter. Please submit responses on or before Wednesday, April 7, 2004. If you have any questions regarding these requests, please contact me at (617) 305-3624.

Thank you for your prompt attention to this matter.

Sincerely,

Kevin F. Penders  
Hearing Officer

Enc.

cc: Mary L. Cottrell, Secretary

CAPE LIGHT COMPACT

D.T.E. 04-32

FIRST SET OF INFORMATION REQUESTS OF THE DEPARTMENT OF  
TELECOMMUNICATIONS AND ENERGY TO  
CAPE LIGHT COMPACT

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Pursuant to 220 C.M.R. § 1.06(6)(c), the Department of Telecommunications and Energy (“Department”) submits to the Cape Light Compact the following Information Request

INSTRUCTIONS

These instructions apply to this set of Information Requests and all subsequent Information Requests issued by the Department in this proceeding.

1. The “Compact” means the Cape Light Compact, acting on behalf of the Towns of Aquinnah, Barnstable, Bourne, Brewster, Chatham, Chilmark, Dennis, Eastham, Edgartown, Falmouth, Harwich, Mashpee, Oak Bluffs, Orleans, Provincetown, Sandwich, Tisbury, Truro, Wellfleet, West Tisbury, Yarmouth, and the Counties of Barnstable and Dukes.
2. “Compact Filing” or “Filing” means all the documents the Compact has filed in this proceeding to date.
3. “Petition” means the document entitled, “Petition for Approval to Enter into a Competitive Electric Supply Agreement as an Opt-Out Municipal Aggregator.”
4. “Program” means the Cape Light Compact Community Choice Program as expanded to provide services for both default service and standard offer service customers pursuant to D.T.E. 04-32.

5. Each request should be answered in writing on a separate three-hole punched page with a recitation of the request, a reference to the request number, the docket number of the case and the name of the person responsible for the answer.
6. Please do not wait for all answers to be completed before supplying answers. Provide the answers as they are completed.
7. These requests shall be deemed continuing so as to require further supplemental responses if the Compact or its witnesses receive or generate additional information within the scope of these requests between the time of the original response and the close of the record in this proceeding.
8. The term "provide complete and detailed documentation" means:  
  
Provide all data, assumptions and calculations relied upon. Provide the source of and basis for all data and assumptions employed. Include all studies, reports and planning documents from which data, estimates or assumptions were drawn and support for how the data or assumptions were used in developing the projections or estimates. Provide and explain all supporting work-papers.
9. The term "document" is used in its broadest sense and includes, without limitation, writings, drawings, graphs, charts, photographs, phono-records, microfilm, microfiche, computer printouts, correspondence, handwritten notes, records or reports, bills, checks, articles from journals or other sources and other data compilations from which information can be obtained and all copies of such documents that bear notations or other markings that differentiate such copies from the original.
10. If the Compact finds that any one of these requests is ambiguous, please notify the Hearing Officer so that the request may be clarified prior to the preparation of a written response.
11. A copy of all responses should be served to Mary L. Cottrell, Secretary of the Department. Additional copies should also be served directly to: (1) Kevin Penders, Legal Division; and (2) Barry Perlmutter, Electric Power Division.

REQUESTS

- DTE-1-1 In the Petition at §§ 3 and 21, the Compact states that it seeks approval of the electric supply agreements (“ESAs”) without pricing terms because experience to date (1) “has proven that this is the most responsive and feasible way to take advantage of anticipated market conditions later this spring and to expedite the process for selecting a supplier which provides benefits for all Compact consumers,” and (2) has demonstrated the “need to be responsive to market changes and the need for efficiency in executing the 2004 ESAs.” Please discuss in detail whether and how a two-stage review process, in which the Department first would review and rule upon the non-price provisions included in the ESAs, and then would review and approve the pricing terms (when those terms were finalized) within five business days (similar to the Department’s review period for default service supply solicitations and consistent with the Department’s review in Cape Light Compact, D.T.E. 01-63 (2001)) would adversely affect the ability of the Compact to implement the Aggregation Program.
- DTE-1-2 Does the Compact intend to use any criteria other than price in selecting the winning supplier(s)? Please describe how the Compact will evaluate bid offers with differing contract terms.
- DTE-1-3 How many suppliers does the Compact expect to select to serve under the Program?
- DTE-1-4 The Compact states that it “covenants with the Department that the Price Exhibit in the executed 2004 ESA will contain prices lower than the Standard Offer rates for each customer class for the remainder of the Standard Offer period” (Petition at § 23).
- a. Will the suppliers be allowed to submit bids in which the prices increase on or after the end of the standard offer period on March 1, 2005?
  - b. If yes, what criteria will the Compact use to determine whether the bids will provide benefits to consumers after March 1, 2005 (e.g., will the Compact compare the post-standard offer service bid prices to current default service rates)?
- DTE-1-5 Has the Compact established the date by which suppliers will be required to submit their bid prices? Will the Compact require that all of the suppliers submit their bids on the same day?

- DTE-1-6 Please provide detailed responses to the following:
- a. If approved, on what date does the Compact intend to commence electric power supply for customers currently receiving standard offer and default service under the proposed ESAs? If the Compact does not know this date with certainty, please provide your best estimate and state the factors that will determine the commencement date.
  - b. Will there be a phase-in of standard offer service and default service customers? If yes, please describe fully.
  - c. On what date will customers currently participating in the Default Service Pilot Program begin receiving service under the Program? If the Compact does not know this date with certainty, please provide your best estimate and the factors that will determine the commencement date.
  - d. Will there be a phase-in of customers currently participating in the Default Service Pilot Program? If yes, please describe fully.
- DTE-1-7 Will customers currently receiving competitive supply service be eligible to participate in the Program if they affirmatively choose to do so? Please describe any limitations on participation that may be placed on these customers.
- DTE-1-8 On what date will the Program terminate? If the Compact does not know this date with certainty, please provide your best estimate and the factors that will determine the termination date.
- DTE-1-9 Please describe the steps the Compact has taken (and will take) to receive the approval of its 21 members' local governing entities to enter into the ESAs submitted with the Filing, as required by G.L. c. 164, § 134(a). Please submit to the Department certified copies of any votes taken by each such entity.
- DTE-1-10 Please describe the consultation activities the Compact has undertaken with the Division of Energy Resources ("DOER") in developing the Program and the associated ESAs, as required by G.L. c. 164, § 134(a).
- DTE-1-11 Please describe the activities the Compact has undertaken to inform and educate consumers regarding the Program, as required by G.L. c. 164, § 134(a).

DTE-1-12 Please reference the Compact's Program, Cape Light Compact, D.T.E. 00-47 (2001), and the Compact's initial plan in the D.T.E. 00-47 proceeding. Describe:

- a. any and all differences in the Compact's current organizational structure with the structure described in the initial plan at § 3.2, and approved in D.T.E. 00-47, at 24;
- b. any and all differences in the Compact's current funding mechanism with the mechanism described in the initial plan at § 3.3, and approved in D.T.E. 00-47, at 24;
- c. any and all differences in the Compact's proposed method for entering and terminating agreements with other entities under the Program with the method proposed in the initial plan at § 3.5, and approved in D.T.E. 00-47, at 24;
- d. any and all differences between the customer enrollment methods currently proposed and the methods approved by the Department in D.T.E. 00-47, at 28-31; and
- e. how the Compact intends to comply with the Department's information disclosure requirements, and any and all difference between the method currently proposed and the method proposed in the initial plan at § 2.V.B, and approved by the Department in D.T.E. 00-47, at 27-28.